
By: **Chairman, Environmental Matters Committee (Departmental - Natural Resources)**

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Assigned to: Environmental Matters

Committee Report: Favorable
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CHAPTER 646

1 AN ACT concerning

2 **Shore Erosion Control Construction Loan Fund**

3 FOR the purpose of authorizing the Department of Natural Resources to use the
4 Shore Erosion Control Construction Loan Fund to fund certain shore erosion
5 control projects; providing that certain funds may be utilized for nonstructural
6 projects; providing that certain funds in addition to any general funds may be
7 appropriated to the Shore Erosion Control Construction Loan Fund; and
8 generally relating to shore erosion control project funding.

9 BY repealing and reenacting, with amendments,
10 Article - Natural Resources
11 Section 8-1004.1(d) and 8-1005(a)(1) and (b)
12 Annotated Code of Maryland
13 (2000 Replacement Volume)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article - Natural Resources**

17 8-1004.1.

18 (d) In carrying out this section, the Department may utilize any GENERAL,
19 SPECIAL, STATE REIMBURSABLE, OR FEDERAL REIMBURSABLE funds appropriated in
20 the budget for nonstructural shore erosion control. Appropriations and expenditures
21 of funds for the purposes of this section may not be subject to any provision of §§
22 8-1005 through 8-1007 of this subtitle.

1 8-1005.

2 (a) (1) There is a "Shore Erosion Control Construction Loan Fund". The
3 Department shall administer the Fund to provide interest-free loans OR GRANTS to
4 persons, municipalities, or counties for design and construction of shore erosion
5 control projects. The Fund shall be maintained by:

6 (i) Repayments of principal on loans made from the Fund, with the
7 repayments made through a benefit charge the State levies on privately owned
8 property benefited by shore erosion control projects. The benefit charge shall
9 compensate the State for net project construction cost. The benefit charge shall be
10 levied at a uniform rate over a period not exceeding 25 years;

11 (ii) Repayment of administrative costs under § 8-1004 of this
12 subtitle; and

13 (iii) Annual appropriation of [general] funds to restore the Fund to
14 a level sufficient to carry out an effective shore erosion control construction loan
15 program during the succeeding year.

16 (b) During the first month of each fiscal year, the Department shall submit to
17 the Department of Budget and Management:

18 (1) An estimate of the amount of revenues the Fund expects to receive
19 from repayment of outstanding loans; and

20 (2) The amount of [general] funds required to reestablish an adequate
21 balance in the Fund to make loans during the next fiscal year.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
23 effect July 1, 2001.